

**COOKEVILLE CITY COUNCIL
REGULAR MEETING
SEPTEMBER 4, 2003
6:00 P.M.**

The Council of the City of Cookeville met in regular session on Thursday, September 4, 2003, at 6:00 p.m., in the Municipal Building, 45 East Broad Street. Invocation was given by Mayor Womack. Pledge of Allegiance was led by Mayor Womack. Mayor Womack then called the meeting to order and asked the Clerk to call the roll. Present and answering roll call were:

Mayor Charles Womack
Vice-Mayor Steve Qualls
Councilman Jean Davis
Councilman Sam Sallee
Councilman Ricky Shelton

Also present: Jim Shipley, City Manager; Cathy McClain, City Clerk; and Mike O'Mara, City Attorney.

**CONSIDER APPROVAL OF
AGENDA AS PRESENTED**

Councilman Sallee made a motion, seconded by Councilman Shelton, to approve the agenda as submitted. Upon call for a vote, the following voted aye:

Mayor Charles Womack
Vice-Mayor Steve Qualls
Councilman Jean Davis
Councilman Sam Sallee
Councilman Ricky Shelton

The City Clerk announced that the motion carried.

OLD BUSINESS:

**CONSIDER APPROVAL OF MINUTES
OF COUNCIL MEETING HELD ON
AUGUST 21, 2003**

Councilman Sallee made a motion to dispense with the reading of the minutes and approve said minutes as submitted. The motion was seconded by Councilman Shelton. Upon call for a vote, the following voted aye:

Mayor Charles Womack
Vice-Mayor Steve Qualls
Councilman Jean Davis
Councilman Sam Sallee
Councilman Ricky Shelton

The City Clerk announced that the motion carried.

NEW BUSINESS:

**HOLD A PUBLIC HEARING
AND CONSIDER RESOLUTION
#R03-09-18, ACCEPTING A
GRANT FROM THE U.S.
DEPT. OF JUSTICE FOR
\$26,390 & COMMITTING TO
THE REQUIRED MATCH
OF \$2,932**


**COOKEVILLE CITY COUNCIL
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Councilman Davis made a motion, seconded by Vice-Mayor Qualls, to adopt Resolution #R03-09-18. Upon call for a vote, the following voted aye:

Mayor Charles Womack
Vice-Mayor Steve Qualls
Councilman Jean Davis
Councilman Sam Sallee
Councilman Ricky Shelton

The City Clerk announced that the motion carried.

**CONSIDER AUTHORIZING THE
CITY MANAGER TO EXECUTE
LETTER AGREEMENTS FOR
LIQUIFIED NATURAL GAS
STORAGE**

TO: Mayor, Councilmembers and City Manager
FROM: Jimmy Daniel, Gas Dept. Director 
DATE: August 27, 2003
SUBJECT: Letter agreements for LNGS

This past May, gas systems on the East Tennessee Natural Gas pipeline had the opportunity to increase the daily usage of LNGS. Cookeville's portion amounted to 851 MCF per day.

This is for Liquified Natural Gas Storage (LNGS) and the tank is outside Kingsport. This service is where natural gas is liquefied and put in storage in the summer months and is taken out on peak days during the winter months. There are 17 gas systems on the ETNG pipeline that have gas in this facility.

This will amount to \$13,155 extra for this winter and will increase to \$21,000 the next year. This is a winter service (5 months).

I would ask at this time you approve for the City Manager to sign the letter agreements with East Tennessee Natural Gas Co.

If there are any questions or concerns please give me a call.

Vice-Mayor Qualls made a motion, seconded by Councilman Shelton, to authorize the City Manager to execute the letter agreements with East Tennessee Natural Gas Company. Upon call for a vote, the following voted aye:

Mayor Charles Womack
Vice-Mayor Steve Qualls
Councilman Jean Davis
Councilman Sam Sallee
Councilman Ricky Shelton

The City Clerk announced that the motion carried.

**CONSIDER AUTHORIZING
THE ELECTRIC DIRECTOR
TO SEND TVA A LETTER
EXPRESSING THE CITY OF
COOKEVILLE'S REASONS
FOR NOT EXECUTING THE
RATE CHANGE AND RATE
ADJUSTMENT AGREEMENTS**

COOKEVILLE CITY COUNCIL
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August 28, 2003

Mr. Glenn L. McCullough, Jr., Chairman
Board of Directors
Tennessee Valley Authority
400 West Summit Hill Drive
Knoxville., Tennessee 37902-1401

Dear Chairman McCullough,

Cookeville Electric Department recently received from TVA a proposed rate change agreement as well as proposed rate schedules for implementing changes in the wholesale and retail rates in October 2003. The purpose of this letter is to acknowledge receipt of those documents, to inform TVA that the Cookeville City Council does not intend to execute the new rate change agreement in its present form, and to let you know the reasons.

It is our strongly held view that TVA has failed to enter into real, meaningful negotiations with distributors and their representatives on the proposed rate changes. Beginning with TVA's first major rate change in 1967 and continuing through multiple rate changes since that time, TVA has always demonstrated a willingness to take the time and effort to work together with its distributors in developing mutually acceptable rate structure changes. Although extended periods of time were sometimes necessary to reach general agreement, input and acceptance by distributors seemed to be of utmost importance to TVA. The process TVA is using with respect to the proposed 2004 rate change represents a major and troublesome departure from past rate change negotiation processes. TVA's process in this instance and its actions taken at the August 27th Board meeting could be viewed as a violation of certain statutes, contract provisions, rules and regulations, and other established requirements by and for TVA.

Normally, before a public announcement of anticipated rate actions is made, numerous preliminary discussions would have already been held with distributors and their representatives. However, in January 2003 TVA made a public announcement of proposed actions and almost simultaneously began initial discussions with distributors. Because the public announcement mentioned substantial proposed rate decreases for some customers and increases for others, any discussions about a more balanced approach became extremely difficult. Not only were the parties faced with an unreasonable short timeframe, they also began discussions where the outcome seemed to be preordained. We are not aware of any previous TVA Board of Directors who would have allowed or directed such an approach to be taken with distributors to implement a rate change. When it became obvious that general agreement on the proposed changes would not be possible by October, the TVPPA Board urged TVA to proceed only with a rate adjustment in October since additional revenue for Clean Air purposes appeared to be TVA's most urgent need. The suggested delay was rejected by TVA, further indicating that the results may have been decided in advance of negotiations.

TVA's recent actions have been a major deviation from the established TVA-Distributor rate change process. TVA has consistently followed the negotiated rate change process with

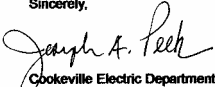
distributors through extended discussions and negotiation. TVA's sudden departure from this established practice is a major reason for our opposition to the TVA rate change proposal. Had the established process been followed, TVA would have had time to give fair consideration to TVPPA's concerns about the adequacy of the cost-of-service study, the competitiveness of industrial rates, and a credible business plan that would support TVA's economic development objectives. This could have easily been obtained by adopting the TVPPA suggestion to decouple the "Rate Change" from the "Rate Increase" needed to satisfy the Clean Air Act capital improvements beginning in October.

A final purpose of this letter is to put TVA on notice that payment made by us for electricity use after October 1 should not be considered as acceptance of or agreement with the rate change process, the rate structures TVA is imposing, or a waiver of any rights that Cookeville Electric Department may have to challenge by legal or other means the right of TVA to implement future rate changes in this matter.

It is our understanding from representations made by TVA staff that there are no penalties to be assessed or punitive actions taken against any distributor that fails or refuses to sign the rate change agreement and that no TVA programs or credit programs will be delayed or denied to us.

We value our long-term relationship with TVA and regret that it is necessary for Cookeville Electric Department to take the position outlined in this letter.

Sincerely,


Cookeville Electric Department

cc: Skila Harris
William Baxter

Retail Electric Rate Effect
Of TVA Rate Change and Adjustment

<u>Residential</u> (7.2% increase)	<u>Current</u>	<u>Proposed</u>
Average Monthly Bill	\$ 66.83	\$ 71.64
Average Annual Bill	\$801.94	\$859.70
<u>General Power</u> (7.4% increase)		
Average Monthly Bill	\$ 133.71	\$ 143.60
Average Annual Bill	\$1604.52	\$1723.25

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Tony Peek, Electric Department Director, said that the rate increase would go into effect without the agreements signed.

Vice-Mayor Qualls made a motion, seconded by Councilman Shelton, to authorize the Electric Department Director to send a letter to TVA as requested. Upon call for a vote, the following voted aye:

Mayor Charles Womack
Vice-Mayor Steve Qualls
Councilman Jean Davis
Councilman Sam Sallee
Councilman Ricky Shelton

The City Clerk announced that the motion carried.

CONSIDER AWARDING BID FOR
TRANSFORMERS - ELECTRIC
DEPARTMENT

CITY OF COOKEVILLE
BID TABULATION SCHEDULE
BID NOTICE # 03081101

DATE OF BID OPENING: 8/27/2003
BIDS OPENED BY: Glenn Greenwood
BIDS WITNESSED BY: Brian Bohannon
DEPARTMENT: Electric

TIME: 2:00 PM CST


BIDDERS	ITEM 1 50 Kva Transformer			ITEM 2 112.5 Kva Pad Transformer		
	QTY	evaluated cost			evaluated cost	
Utilicor		\$748.00 \$ 6,732.00	\$ 1,680.74		\$3,855.00 \$ 7,910.00	\$ 6,532.94
Power Supply		\$795.00 \$ 7,155.00	\$ 1,650.72		\$3,194.00 \$ 6,388.00	\$ 5,666.48
Deco		\$716.00 \$ 6,444.00	\$ 1,690.21		\$3,409.00 \$ 6,818.00	\$ 5,892.63
Tennessee Valley (Cooper)		\$829.00 \$ 7,461.00	\$ 1,786.99		\$4,014.00 \$ 8,028.00	\$ 6,625.31
Tennessee Valley (Pauwels)	NB				\$3,578.00 \$ 7,156.00	\$ 6,086.95
Hughes (Pauwels)	NB				\$3,395.00 \$ 6,790.00	\$ 5,876.54
Hughes (Central Maloney)		\$748.00 \$ 6,732.00	\$ 1,654.54		\$3,823.00 \$ 7,646.00	\$ 6,338.70
Stuart Irby		\$751.00 6759	1686		\$3,432.00 6884	6090

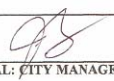
WE, THE UNDERSIGNED DO HEREBY RECOMMEND THE BID FROM

ITEM 1
Power Supply

ITEM 2
Power Supply

BE AWARDED FOR THE FOLLOWING REASON: low evaluated bid meeting specs.


RECOMMENDED: DEPT. HEAD


APPROVAL: CITY MANAGER

Councilman Shelton made a motion, seconded by Councilman Davis, to award the transformer bid as recommended. Upon call for a vote, the following voted aye:

Mayor Charles Womack
Vice-Mayor Steve Qualls
Councilman Jean Davis
Councilman Sam Sallee
Councilman Ricky Shelton

The City Clerk announced that the motion carried.

COOKEVILLE CITY COUNCIL
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CONSIDER AWARDING BID FOR
AUTOMATED SIDE-LOADING
TRUCK & CONTAINERS -
PUBLIC WORKS DEPT.

CITY OF COOKEVILLE, TENNESSEE
BID TABULATION RECORD

AUTOMATED SIDE-LOADING TRUCK & CONTAINERS

DEPARTMENT: Public Works
BID DATE: August 28, 2003
BID TIME: 10:00 A.M.

BIDS OPENED BY: Tom Dyer
OPENING WITNESSED BY: Greg Brown

BIDDER	CAB & CHASSIS	CONTAINERS (4000)	TOTAL BID PACKAGE
STRINGFELLOW	\$184,943.00	\$162,360.00	\$347,303.00
MUNICIPAL EQUIPMENT	\$173,549.00	\$165,480.00	\$339,029.00
MUNICIPAL EQUIPMENT	\$165,981.00	\$165,480.00	\$331,461.00
H.H. HOOPER	\$180,460.00	\$156,000.00	\$336,460.00
CMI EQUIPMENT CO.	NO BID	NO BID	NO BID
LANDMARK INTL.	NO BID	NO BID	NO BID

WE THE UNDERSIGNED, DO HEREBY RECOMMEND THE BID FROM STRINGFELLOW, INC. BE
AWARDED FOR THE FOLLOWING REASON: ONLY BIDDER MEETING SPECIFICATIONS

Greg Brown
RECOMMENDED: DEPT. DIRECTOR

[Signature]
APPROVAL: CITY MANAGER

Michael Danielson / From 2004 Bond Proceed
BUDGET AVAILABILITY: FINANCE DIRECTOR

Greg Brown, Public Works Director, recommended the purchase of a new one-man, side-loading garbage collection truck & special extra-large containers. He advised that, if approved, it would be a first step toward a money saving, more worker friendly system & would go into service on one of Cookeville’s three garbage routes in about six months.

Vice-Mayor Qualls made a motion, seconded by Councilman Davis, to award the garbage truck/container bid as recommended. Upon call for a vote, the following voted aye:

Mayor Charles Womack
Vice-Mayor Steve Qualls
Councilman Jean Davis
Councilman Sam Sallee
Councilman Ricky Shelton

The City Clerk announced that the motion carried.

**COOKEVILLE CITY COUNCIL
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HEARING OF CITIZENS AND/OR DELEGATIONS:

Mayor Womack congratulated Councilman Sam Sallee & wife Heather on the birth of their baby girl – Julia Emily, born 8-28-03 (6 lbs., 15 oz.).

Mayor Womack read a proclamation, proclaiming August 26th as Cookeville, TN Day, received from the Mayor of Odessa, TX, commending the Cookeville Citizens/ Chamber of Commerce Staff for their hospitality to one of their citizen's passing through.

Samantha Turney, Super Stock Champion and Catherine Carney, Stock Champion of Cookeville's 2nd Annual Soapbox Derby on 6-21-03, gave a power-point presentation of their trip on 7-26-03 to the All-American Soapbox Derby in Akron, Ohio.

Councilman Shelton presented certificates of appreciation to Mr. Bob Sealy, volunteer of Soapbox Derby, and Sgt. Mike Lee, Director of Soapbox Derby.

Sgt. Mike Lee thanked Police Chief Bob Terry, PAL & Rick Woods, Director of Leisure Services, for their support.

Mr. Bob Niebuhr, President of the Northwest Cookeville Homeowner's Association, and Mr. Charles Matheson, of 1180 Mt. Vernon Road, stated that they feel the agreement between Soard Properties & City of Cookeville has been violated due to the construction of half-baths in the Soard Townhouse Apartments off Old Gainesboro Grade.

Jim Shipley, City Manager & Mike O'Mara, City Attorney, stated that they do not consider the half-baths as a violation. They stated that builders are authorized to build whatever is permitted under the city code.

Ms. Jessica Neary, Chairman of Tree Board, Ms. Marcia Donovan, Ms. Peggy Evans and Kris Ballinger, voiced their concerns about the large/old tree cut on Mahler Avenue.

Vice-Mayor Qualls said he was called about the tree by the owner of the property and felt its overhanging limbs might be a public hazard.

Jim Shipley, City Manager, stated that he asked Jeff Fitzpatrick, City Forester, to examine the tree and he reported there was some rot.

Councilman Sallee stated that the tree cutting saddened him & feels we need more trees to prevent storm water run off. He said the city might need a full-time arborist for the expansion/protection of trees (echoed by Jessica Neary and State Forester Guy Zimmerman).

There being no further business to discuss, Councilman Davis made a motion, seconded by Councilman Sallee, to adjourn the meeting at 7:32 p.m. Upon call for a vote, the following voted aye:

Mayor Charles Womack
Vice-Mayor Steve Qualls
Councilman Jean Davis
Councilman Sam Sallee
Councilman Ricky Shelton

The City Clerk announced that the motion carried.

Charles Womack, Mayor

ATTEST:

Cathy McClain, City Clerk

